

STATEMENT OF THE HONORABLE J. LYNN HELMS, FEDERAL AVIATION ADMINISTRATOR, BEFORE THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS, SUBCOMMITTEE ON GOVERNMENT ACTIVITIES AND TRANSPORTATION, CONCERNING STAFFING AND BUDGET IN THE FAA. JULY 20, 1981.

Mr. Chairman and Members of the Subcommittee:

I am pleased to have the opportunity to appear before the Subcommittee today on the subject of FAA budget reductions.

I will be brief since I am aware that Subcommittee staff members have reviewed extensively FAA background materials on the FY-1981 and 1982 budgets. Substantial materials developed by the Appropriation Committees which go into detail on this subject have also been made available to your staff.

As you know, Mr. Chairman, my background for the past twenty years has been in various managerial positions in the private sector. Cost reduction and personnel reallocations are a way of life in business. Maximizing productivity and minimizing cost are continuing concerns to every business manager. On November 4, 1980, the American taxpayers said they want and expect the same things from our government. The Congress has recognized that as well in its recent budget cutting activities.

As the FAA Administrator, I intend to press for ways to hold down the FAA's costs while making continued productivity

gains. As I do so, however, foremost in my mind is the primary mission of the FAA--providing for the safe and efficient movement of aircraft in the nation's airspace. I will not allow any changes that will cause a derogation of safety. I am absolutely firm on this point.

Our budgetary and staffing reductions for fiscal years 1981 and 1982 have been made in many different areas. However, the most important directive in deciding where the cuts were to be made was this: aviation safety must not be compromised. Though I was not with the FAA at the time the FY 82 budget was being finalized and recommended to the Congress, I have since had the opportunity to visit a number of facilities throughout the country and to talk in depth with regional managers and officials. I have seen no evidence that safety is being compromised in any manner by the FAA's budget and staffing reductions. To the contrary, the agency has taken a number of positive steps to achieve greater efficiency and productivity through measures such as part-timing facilities where traffic demands are little, reducing excess facility overhead staffing, equipment modernization, and the like.

You have my assurance, Mr. Chairman, that, as I continue to seek ways in behalf of the American taxpayer in which to cut the costs of administering the FAA, I will not lose sight of the important safety functions the FAA provides. There is no

question in my mind that the majority of work done by the FAA represents a proper investment of the taxpayers' money. There is also no question that the FAA, along with other Federal agencies, can and should aggressively pursue additional ways in which to deliver the best service to the American public at the cheapest cost.

Let me turn briefly now to another subject I know is of interest to the Subcommittee. That concerns the consolidation of regions within the FAA. As you know, I announced on June 12, that 11 FAA regions would be consolidated into 6. That decision reflected a conclusion on my part that such a consolidation would reduce costs associated with staff and overhead by saving 400 positions and about \$19M annually without derogation of FAA's safety services to the travelling public. While there has been broad support for this undertaking as a cost cutting measure since it was announced, questions were raised concerning the selection of regional headquarters' sites for the consolidated regions. I have since undertaken to re-examine the original data used as the basis for site selections and we are currently engaged in such a review. No final implementation of regional consolidation will be undertaken until the FAA's re-examination of this issue has been concluded and I have had an opportunity for a careful review of the data developed.

Mr. Chairman, that completes my prepared statement. As requested by the Subcommittee, I have with me today Messrs. Murray Smith, Wayne Barlow, Chuck Foster, and Mac McClure, Directors of the Eastern, Great Lakes, Northwest, and Western Regions, respectively. Since some of our decisions concerning reductions were made, as regards the details, by our Administrative, Flight Standards, and Air Traffic groups, I also have with me the Associate Administrator for Administration, Gene Weithoner, the Associate Administrator for Aviation Standards, Walt Luffsey, and the Associate Administrator for Air Traffic and Airway Facilities, Jim Bispo.

We welcome the opportunity to respond to questions you or Members of the Subcommittee may have.